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Lone Parents and Informal Childcare: A Tax Credit Childcare Subsidy?

ARTICLE

For Social Policy and Administration

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Abstract:

The Labour government aims to increase the lone parent employment rate to 70 percent by 2010. To achieve this aim, it has introduced a state subsidy for childcare in the form of the childcare element of the Working Tax Credit. But this has thus far been limited to *formal* childcare despite evidence that lone parents are more likely to use *informal* childcare. This paper investigates the potential of a state subsidy to be extended to support informal childcare.

Utilizing evidence from a study of 78 qualitative in-depth interviews with lone parents, it explores preferences for informal care and the way that informal care is negotiated. On the one hand we find that some lone parents held deeply embedded preferences for informal childcare based on trust, commitment, shared understandings and children's happiness. Thus it can be concluded that it is important for the government to support informal as well as formal care. On the other, we found that the way lone parents actually negotiated informal childcare involved complex notions of obligation, duty and reciprocity, suggesting that a subsidy could potentially intrude upon complex private family relationships. But, the evidence suggests that care was negotiated differently depending on whether it was provided by a grandparent or other family and friends, with lone parents tending to favour paying for childcare provided by other family and friends than by grandparents. This has implications for a state subsidy, which needs further investigation.

Key words: Lone parents; informal childcare, negotiation, grandparents, working tax credit, childcare subsidy

Introduction

The Labour government aims to increase the lone parent employment rate to 70 percent by 2010 as part of welfare reform and child poverty strategies. To that end, a variety of labour market policies have been introduced including; financial incentives via working tax credits for low income households, practical help via the New Deal for Lone Parents and a National Childcare Strategy (NCS) that aims to increase the number of formal childcare places and to improve quality and affordability. These measures have been introduced with the understanding that structural factors are the main inhibitors of lone parents' employment. Indeed, following these measures some progress has been made with 55.5 per cent of lone parents in employment in 2005, an increase of 10.5 percentage points since 1997 (ONS 2006).

However, numerous enquiries have concluded that despite improvements, the additional childcare resources, though welcome, have not gone far enough. There are still significant barriers for mothers in returning to work because of a lack of good quality, convenient and affordable formal childcare. Despite a rise in the use of formal childcare services since the strategy, many parents including lone parents still rely on, and prefer, informal care provided by family and friends. Yet in 2003, support for informal care with a state subsidy via the tax credit system was rejected by government as being too contentious and too difficult to administer. This remains the case in 2005; there is no plan to

address this in the first ever Childcare Bill (2005). Rather, the focus is on ensuring sufficient formal childcare places which are eligible for the state subsidy with the view to facilitate parental employment among low income and lone parent families. Our paper begins by outlining the reasons behind the government's rejection of an informal childcare subsidy and the limitations of their current efforts to focus on formal childcare.

The paper then uses new evidence from a research study on lone parent families (of whom the majority are mothers) to revisit the potential for a childcare subsidy for informal care. The study explored the complex interplay between attitudes/ beliefs and decisions about childcare (formal and informal) and employment, as well as the ways in which informal childcare was negotiated between family members. It did not explicitly explore an informal childcare subsidy, but much of the evidence on attitudes and the day to day negotiation of childcare provide some useful insights which are drawn upon here to advance the debate to see if there is scope for a state subsidy through Working Tax Credit. Specifically, the research suggests that informal childcare is preferred by lone parents because it is founded on trust and familiarity, is generally free and flexible responding to changes in parents' working hours and thereby makes paid work more affordable and manageable. Also, in relation to negotiating informal childcare the evidence uncovers an expressed desire to pay for this care, but this is not straightforward with differences operating in negotiations with grandparents compared to other family friends. This paper will argue that a state subsidy for informal childcare could provide

real diversity and choice in childcare options further enabling lone parents' employment opportunities.

The National Childcare Strategy: a partial intervention?

The National Childcare Strategy (NCS) aims to expand formal childcare services in order to drive up employment participation rates of low income families. So far the government has concentrated its efforts on increasing the number of formal childcare places and on making it more attractive and affordable to parents. The current and future aims of policy are to further improve quality standards, to streamline the regulation and inspection frameworks, to ensure adequate provision for parents who work through imposing a new duty on LA's a duty and to integrate childcare more effectively with education (HM Treasury 2004b). To this end, new 2008 targets have been set to have 50 per cent usage of formal care among low income families and to increase the stock of formal Ofsted registered childcare by 10% (HM Treasury 2004a: 6). Affordability of formal childcare is a crucial issue for this strategy.

To make childcare more affordable, a government subsidy in the form of the 'childcare element' of the Working Tax Credit (WTC) is available ¹. However, in April 2005 it only covers 80 per cent of childcare costs up to certain limits resulting in low average payouts of just £51 per week (National Statistics 2005:14). Consequently, it has been argued that compared to parents in OECD countries, parents in the UK pay the bulk of their childcare costs; 75

per cent on average compared to an average of 25-30 per cent in the OECD (Daycare Trust 2004). Therefore, the value of the subsidy is limited.

Moreover, it is restricted to formal childcare such as nursery schools and classes, play groups, day nurseries, childminders, out-of-school clubs and childcare workers that are 'approved' to provide care in parents' own homes under the Home Childcarers scheme (introduced in April 2003). Childcare provided by family members (including grandparents and non-resident parents as well as other kin) and friends and neighbours is not considered as formal childcare, even if it is provided full-time.

Importantly, in 2003, the government considered providing an informal childcare subsidy as part of their concern to meet welfare-to-work and anti-child poverty strategies, but the idea was rejected:

'The Government recognises the huge contribution that informal care makes to family life. However it is not the Government's role to offer financial support for care that is freely given within families and it would also be extremely intrusive to make appropriate checks for payments between family members or friends.' (HM Treasury 2004b:37)

It was seen as contentious option by the Work and Pensions Select Committee's (HC 2003) because they believed that costs could spiral out of control ², that it would be too difficult to police administratively, that it would potentially undermine the drive for improved standards in formal childcare and most importantly, it would not expand the number of childcare places as

informal carers would 'simply provide the care they would have provided anyway' (HC 2003: para 100).

On these grounds, an informal childcare subsidy was counter to the aims of the NCS to expand formal provision and improve quality in order to drive up employment rates among low income families. Alternatively, the committee recommended that a new light touch Childcare Approval Scheme be implemented by April 2005. This would introduce a simpler registration process to enable 'nannies' and other formal providers experiencing difficulties with registration (such as out-of-school clubs) to become registered and eligible for the childcare element of WTC (DfES 2004: foreword: 4). This could help ensure high standards and increase the number of places as these new registered carers could take on more children (HC 2003: para 103). Alongside this, the eligibility criteria for the formal childcare subsidy were extended to cover more families and the amounts were increased³.

Effectively the new scheme makes it simpler for some formal providers to be approved to meet the childcare subsidy eligibility criteria. It does not recognise family and friends as bone fide childcare providers, at least not unless they go through training, vetting procedures and submit themselves and their homes to annual inspections (DfES 2004: 9). The scheme falls far short of demands made by the Daycare Trust for a state investment in informal childcare and for family and friends to be encouraged 'into the fold' through the provision of a fast track registration process (Daycare Trust 2003). Nor is it being considered in future plans, there is no mention of it in the childcare Bill (2005)

and it was dismissed as a policy option in the ten year childcare strategy (HM Treasury 2004b).

Conceivably, the subsidy is therefore not going to maximise its potential to increase employment rates in low-income families. Indeed, take up of the childcare element of the WTC is low among lone parent families; in 2005 only 223,800 lone parents claimed it out of 1.06 million who could have potentially done so as they were in receipt of Working Tax Credit (National Statistics 2005:14). There are numerous reasons for the low take-up rate: Eligibility criteria is 'too tough' as few families meet all requirements (HC 2003: para 71). Also, there are wide regional variations in childcare places for pre-school children ranging from 11 to 58 places per 100 children across Local Authorities. There is also insufficient flexible provision to cover evenings and weekends, for disabled children and for children living in disadvantaged areas (NAO 2004:6). Most importantly however, evidence shows that restricting the subsidy to formal care has resulted in low take-up rates because most families rely mainly on informal care, particularly lone parent families (HC 2003: para 71). Chart 1 shows that lone parents are more likely than couples to rely solely on informal care.

Chart 1 about here

The policy drive to increase formal childcare places is discordant with the expressed preferences of many, particularly lone parents, for informal childcare. Policy solutions assume that low-income and lone mother families

would move into employment if formal childcare provision was adequate and if the right financial incentives to 'make work pay' were in place. On the one hand this is a reasonable assumption. It is certainly common sense to argue that most mothers with caring responsibilities for dependent children would need some form of childcare to free up their time to work and presumably they would also have to consider if the costs of this care outweighed the financial rewards from working. On the other hand in-depth research with lone mothers and couple mothers shows that these cost-benefit calculations tend to be secondary in decisions about employment (Duncan and Edwards 1999; Duncan et al 2003; Duncan et al 2004).

It has been argued that uppermost in mothers' decision processes about employment is their beliefs about good mothering and what is best for their child. These beliefs underpin preferences and choices about childcare and work and have been shown to be morally and normatively determined by social, cultural, class and geographical contexts (Duncan and Edwards 1999; Duncan et al 2003; Duncan 2003). For example evidence shows that middle class mothers may choose a formal childcare service for a pre school aged child on the basis of whether it can provide easier access to a good school, rather than solely to meet the mothers' employment needs (Vincent et al 2004). In comparison, other evidence suggests that working class mothers are deeply distrusting of formal childcare, preferring family care for their children (Duncan and Edwards 1999).

Therefore, mothers' decisions about childcare and employment are said to be underpinned by 'gendered moral rationalities' whereby mothers work out what is best for their children on the basis of ideas about good mothering. It is argued that government is making a 'rationality mistake' by designing policy primarily on the basis of cost-benefit calculations (Duncan and Edwards 1999). Policy fails to take adequate account of the decision-making process (Duncan and Irwin 2004) and how the moral and normative assessments about children's and mothers' needs are linked or balanced.

Thus, as Land (2002:19) argues an expansion of formal care will not necessarily reduce the need or wish for informal care. This might especially be the case where informal care supports parental employment by helping to coordinate formal services. That is where friends and family transport children across different childcare and educational settings (Skinner 2003, 2005; Bell et al 2005) and where informal care fits with formal care in a 'caring jigsaw' (Wheelock and Jones 2002). Due acknowledgement of this coordination support has been given by government as 'the glue' that holds complex childcare arrangements together (HM Treasury 2004b: para 5.13). There may therefore be hidden, but additional benefits in supporting informal care as it helps bond formal services together more effectively. Given the importance of informal care to lone parent families, we need to understand more about how preferences for it operate in relation to formal care, how it is negotiated among families and the potential of a state subsidy to support this provision. The interesting question is whether the government has missed an important opportunity to support diversity and choice in childcare and thereby

employment opportunities. Findings from a recent research study on lone parent families provide some evidence to address this question.

Methodology

The findings reported here form part of a Department of Work and Pensions qualitative study commissioned to explore lone parents' (mainly mothers) childcare and labour market decisions (Bell et al 2005). Whilst much is already known about this topic, this study aimed to explore in depth the complex interplay between attitudes/ beliefs and the actual decisions made about childcare (formal and informal) and employment. It also aimed to understand more about lone parents' daily lived experiences in negotiating and coordinating childcare and work and the strategies involved. The study did not explicitly explore an informal childcare subsidy, but much of the evidence on attitudes and how informal childcare was negotiated provide some useful insights which are drawn upon here to advance the debate about an informal childcare subsidy.

The study constructed a purposive sample of 78 lone parents for in-depth semi-structured interviews from among respondents to the Family Resources Survey (FRS) who had consented to being contacted again for research purposes. The FRS is an annual survey which collects information on the incomes and circumstances of private households in the United Kingdom (around 24,000 households per annum) and is sponsored by the DWP. The purposive sample was constructed to include lone parents who had at least

one child aged 10 years or younger, to provide roughly equal numbers of lone parents who were in paid work and not in work and to include a selection of parents from urban, rural and inner city areas in England to reflect differential access to childcare services. The sample was also designed to reflect diversity in patterns of childcare use (formal and informal childcare), work patterns (a mix of part and full-time employment) and parental age. Diversity in these characteristics was achieved. However, the study did not set out to gain a purposive sample that included significant numbers of lone fathers or to conduct a gender analysis. Only three lone fathers were included reflecting the representativeness of the FRS where fathers make up only a small percentage of the lone parent population. The term lone parent is used rather than lone mother to reflect the fact that the sample contained both men and women, but the majority were obviously mothers.

The data from the in-depth interviews was analysed systematically using 'Framework', a qualitative analysis method that uses a thematic approach to classify and interpret qualitative research data. Key topics that emerged from the data were identified through coding of transcripts and developed into themes which were then placed onto a matrix using Excel spreadsheets. The columns in each matrix represented the key sub-themes or topics whilst the rows represented individual respondents. Individual responses were summarized in each cell of the grid which included some verbatim quotes. In this paper verbatim quotes or words used by respondents are italicised and in quotation marks for easy identification.

This paper reports on the findings to contribute to the debate about whether informal childcare should attract a childcare subsidy.

Informal Care Versus Formal Care

Choices around informal and formal childcare are particularly crucial for lone parents. Many have no available partner to help share the burden of parenting – including emotionally and financially - and they can therefore make these decisions in very different contexts to couple parents. Whilst we recognize the importance of class, gender, culture and ethnicity in shaping beliefs about motherhood and preferences around childcare it was not the intention of our study to explore these differences, but rather to consider perceptions of the relative merits of formal versus informal care from among a diverse group of lone parents. Our interviews with mainly lone mothers show that some held deeply embedded preferences for informal over formal childcare (though parents did not use these terms referring instead to specific types of childcare childminder, grandmother, nursery etc). Four broad reasons emerged on why this was the case and these were: trust, commitment, shared understandings and children's happiness.

Trust and commitment

Concerns about trust, safety and commitment were among the strongest determinants of some parents' preferences for informal over formal care. This is consistent with other evidence exploring lone parents' childcare choices (Woodland et al 2002; Duncan and Edwards 1999). The evidence reported

here shows that the lone parents tended to distinguish between childcare providers as people they knew versus 'strangers', which mirrored a division between those they 'trusted' and those they did not. Often this meant family and friends being singled out as trustworthier than formal childcare providers. This adds to earlier evidence from Wheelock and Jones (2002) in their study of informal childcare. They found that parents contrasted sharply the elements of love and trustworthiness of informal care with the 'outsider' or 'stranger' elements of formal care. But for some of the lone parents here, we also saw that preferences for informal care were underpinned by a sense of fear about the potential maltreatment of children "*behind closed doors*" in formal care settings such as nurseries or childminders. This was often fed by media scare stories highlighting the neglect and maltreatment of children in particular formal settings, but it could also arise as a result of previous experiences of poor care of their children or from negative memories about the poor care received by themselves as children in formal care. These could be so powerful an influence that some were determined never to use the particular type of formal care. Yet, there were some positive attitudes too. Some lone parents' fears over formal childcare had changed after having the chance to try and test a formal provider out and others could be reassured about their child's safety because providers used web cameras or sent digital photographs via email.

Views on the commitment of providers also appeared to influence informal care preferences. Family and friends were often seen as providing childcare '*out of the kindness of their hearts*' or of being able to "*stick by you*" or would

“rally round” when needed. That these people might actively want to look after the children and could be relied upon, even at short notice, acted in favour of informal childcare to such an extent that in some cases formal care was never even considered. But contrary views were also apparent. Some lone parents expressed concerns about family/friends providing support out of a sense of reluctant duty/obligation rather than on willingness and they believed this might compromise the quality of care given. Others were worried about *“putting on”* people to provide regular care or they felt *“guilty”* about relying on them. For grandparental care in particular, there were some concerns expressed about it not being their role to provide childcare: *“they brought us up, why should they bring mine up?”* All these beliefs could limit the use made of informal care to emergencies only.

Shared understandings

Having shared values over childrearing practices also influenced preferences for informal care and lone parents were concerned how carers might discipline children and the values they might instil. They appreciated having a shared understanding on these issues, particularly with informal carers. Other evidence has shown that grandparents are often seen as the *“next best thing”* to the parent (Wheelock and Jones 2002; Woodland et al 2002). As one respondent said of grandmother care:

“and [she] bring[s] them [the children] up the way I want her to and...they get 80 percent or 90 percent of the same treatment as they would with me” (Lone mother of twins aged nine, worker)

However, not all family and friends were considered to have similar childrearing practices and some negative views were expressed about family and friends’ different parenting styles and about some grandparents’ inadequate childrearing practices when they were children. Grandparents were sometimes also regarded as having a tendency to *“interfere”* with the lone parents’ childrearing practices. Yet, at the same time having experience of rearing children was viewed as a positive feature of informal carers.

Children’s happiness

Children’s happiness and safety were also important factors shaping informal care preferences. The lone parents frequently talked about *“wanting them to be happy”* and children being cared for in familiar surroundings was often seen as key. This was viewed as being more easily achieved in informal care settings than in formal care. Also, that friends, family and especially ex-partners (mainly fathers) had affection for or *“loved”* their children, and thus would give them special attention was favoured over formal providers with some parents saying that their children would be *“safe and cared for completely”* with informal carers.

Yet, there were other reasons why family members in general - and grandparents in particular – might not easily enable a child's happiness. This was mainly due to their perceived inability to provide desired activities or stimulation leading to boredom and unhappiness in the child. A further potential disadvantage was the lack of opportunity for social interaction with other children, which was considered to be a major benefit of group-based formal provision such as out-of-school clubs, nurseries, playgroups and crèches. Such opportunities for social interaction were considered especially important for an only child and for younger children whose older brothers and sisters had already started school. The socialising function of nurseries in particular was also considered important in order to prepare children for the “*shock*” of starting school.

The findings from this analysis of lone parents' childcare preferences demonstrates that there is no particular norm operating that always favours informal over formal care. However, informal childcare was seen as particularly advantageous in terms of safety, commitment, shared understandings over childrearing practices and children's happiness. These findings are similar to Wheelock and Jones (2002) study on informal care, but they also found grandparental care improved social well-being for working families as parents would not worry about their children when they were at work. On these dimensions at least, formal childcare seemed to be more problematic in relation to meeting these lone parents' perceptions about quality of care, with the possible exception of providing social interaction with other children which was seen as a particular advantage of formal group-

based care. Even so, these preferences have to be enacted in order for childcare to be used. Yet we know little about how informal childcare arrangements are negotiated or how the nature of negotiations with grandparents as close kin might differ from those made with friends or other family members. A greater understanding of this process of negotiation might provide insights into whether an informal childcare subsidy would be useful in facilitating informal care arrangements and thereby enabling lone parents' employment.

Negotiating Informal Childcare Support

Grandparents

Negotiations with grandparents about childcare to cover lone parents' employment needs tended to be a very implicit affair. The process was not easily explained by lone parents and they tended to say that arrangements had *"just happened"* that grandparents had *"just offered"*, *"just rallied round"* or gave support out of the *"kindness of their heart"*. Even so, it appeared that a number of subtly different expectations were operating. On the one hand, expectations were expressed that grandparental care should be offered (almost regardless of the grandparents' abilities to provide it), on the other hand parents appeared hopeful that it might be offered saying they would *"not ask"* for it.

Expecting that it might be offered was more common. Under these circumstances it seemed grandparents were left to decide to help or not and

when they did, lone parents typically accepted that they were willing and able to do so. Except that is, where lone parents believed grandparents were incapable due to ill health, or frailty (where looking after children was considered as being “*too hard*”) or where they had other commitments such as work or caring for another relative. Sometimes, grandparents themselves were said to place limits on the amount of childcare offered for the same kinds of reasons. More rarely, some lone parents believed that it should be given even when grandparents were said to be no longer capable or willing to provide it. But, this tended to be related to perceptions that formal care was unaffordable and not a realistic option. Under such circumstances tensions could be created leading to “*family rows*”.

Very occasionally however, expectations were expressed more explicitly. One lone parent said she expected no support from the grandmother but qualified this by saying that, if the grandmother were to offer to provide childcare, she would pay her to do so. In this more unusual case the grandmother was relatively young and had a dependent child of her own and she and her daughter cared for each others children on a reciprocal basis for purposes other than paid work. This may explain why this lone parent wanted to pay for the care if needed for employment purposes. Her lack of expectation of support may also have been related to a perception, echoed by some others, that grandparents should only provide childcare if and when they are genuinely willing to do so:

“I think sometimes they [grandparents] feel obligated as well and that puts a strain on the relationship, like if you're asking them to look after your child and then they don't really want to, there's somewhere else they really want to be but they don't really want to say no to you at the same time.” (Lone parent, worker)

Despite this, it was uncommon for grandparents to be paid for providing childcare. Only one parent paid a grandmother for her time in cash, although there were others who had offered money to grandparents but these offers had been declined. Sometimes, efforts were made to pay grandparents back ‘in kind’ by taking them shopping or buying small gifts. This demonstrates that the principle of reciprocity was operated by lone parents in these negotiations.

Overall, there appeared to be two strands to expectations for grandparental childcare – one where the lone parents seemed to put the needs of the grandparent above the needs for childcare or one where the needs for grandparental childcare came first. It was not possible to tell from this study the full range of factors underpinning these differences – other than grandparents’ health and well-being was seen as a prime concern. What it does demonstrate however, is the complex interplay between perceptions of grandparents’ willingness and abilities to provide care, their perceived obligation to do so and whether the lone parent should reciprocate in cash or kind for care given. Other evidence from the grandparents’ perspective provides some further insights as to what might be happening.

Arthur et al (2003) explored the nature of relations across three generations in related families for grandparental contact and childcare. They found that grandparents tended to strongly resist the idea of reciprocity in relation to an expectation of a return for childcare given. Rather they were keen to point out that childcare was offered for the enjoyment and love of their grandchildren and to help out their adult children. Grandparents therefore, rejected any offer of payment (gifts or cash) and for some they felt cash payment would turn their care giving into a 'job', which they did not want (Arthur et al 2003:67).

On the basis of this evidence, Arthur et al (2003) argued that grandparents did not see childcare as a service or exchange per se – but part of their interactions and relations with family members and valued it for its own sake, for its *intrinsic* value, particularly in relation to time spent with grandchildren. Parents on the other hand were more likely to see this as a reciprocal exchange as they were more able to appreciate the *extrinsic* value of childcare offered by grandparents because they knew the market value of the childcare given and therefore how much money they saved. Despite this difference, Arthur et al (2003) suggest that both sides were operating within a 'moral economy' of exchange where there is intrinsic value in mutual support and that both sides derive value from the exchange. Other evidence on grandparental care found that grandparents saw childcare as a reward in itself, that it arose from love and they did not want payment for doing it (Wheelock and Jones 2002: 455). We can see this also operating in the accounts given by lone parents in our study. The question is whether lone

parents' negotiations with friends and other family members operated in a similar way?

Other relatives and friends

Negotiations with friends or other relatives for childcare appeared to carry more explicit expectations of reciprocity than was the case with grandparents. When lone parents used other relatives or friends for regular childcare (not occasional care) they were more likely to have offered payment of some kind or to have expressed a wish to offer payment. For some, they said this was to make their arrangements more *"business like"*. In general though, the lone parents offered gifts, childcare or other forms of support (rather than cash) *"in return"* to friends or extended family members. The phrase *"in return"* shows the explicit nature of reciprocity expressed here and that the exchanges should be kept in balance. As one parent described her relations with her sister-in-law:

"Yeah, and I felt like cos it was my sister-in-law doing it and my sister couldn't obviously she had like, she was doing a hairdressing course, I mean she was full time, she was busy, and so I felt, yeah, I did, I felt like, you know, in return I had to put a lot of effort in making sure that my brothers were OK, do you know what I mean, like keeping everybody happy." (Lone parent, worker)

It seems that lone parents were more in favour of paying for childcare provided by other family and friends than by grandparents and this was underpinned by more explicit notions of reciprocity. Other theoretical work on the nature of negotiations might help to cast some light on why these apparently subtle differences exist.

In Finch and Mason's (1993) seminal work on kin relationships, they explored the nature of family negotiations between adult children and their elderly parents for 'care'. They found that in offering support, family members did not operate on a basis of fixed rules or norms, but rather entered into an implicit process of negotiation whereby they relied on certain criteria or guidelines to help them work out the 'right thing to do' under the circumstances. They demonstrated that the principles of obligation and reciprocity were some of the key guidelines used to work out the right thing to do and importantly that reciprocity operated differently depending on the nature of relationships. They identified two kinds - 'balanced reciprocity' whereby a return is expected fairly immediately for services or care offered and 'generalised reciprocity' where there is no expectation of an immediate return. Close kin relationships, such as between a parent and child tended to operate under the latter as there is a longer time scale in expectations of a return or no return is expected at all. Thereby, close genealogical kin relationships are more tolerant of imbalances in exchanges.

Applying this to the evidence here among lone parents, it could be argued that the onus was more often upon grandparents, as the potential givers of

childcare, to do the thinking and decision-making. This can be seen where lone parents' expectations were founded on the idea that childcare from grandparents might be offered, that they would not 'ask for it' or that it had 'just happened'. This also helps demonstrate why it was difficult for lone parents to explain how decisions for childcare with grandparents were made. Moreover, the apparent differences in the way reciprocity operated lends weight to the idea that a more 'balanced reciprocity' expectation operated with other family/friends than with grandparents. This was most evident in the explicit desire to give something back 'in return' to friends or other relatives or to put arrangements on a more 'business like' basis.

Reciprocity was not absent in grandparental negotiations however, and it could be that operating this principle is not straightforward here because the 'giving' of informal childcare involves three generations, grandparents, parents and grandchildren. The guideline of reciprocity may work differently between grandparent and parent relations than between grandparent and grandchild. For example, it can be surmised that the three generational exchanges operated within a framework of generalised reciprocity, at least from the grandparents' perspective. This is clearly seen in the strong resistance to payment where such an event seemed to be regarded by grandparents as changing the basis on which mutual support was offered and received (Arthur et al 2003; Wheelock and Jones 2002). That is potentially changing a norm of generalised reciprocity where exchanges were valued intrinsically, to a norm of balanced reciprocity where exchanges veered towards more extrinsic value judgements. Thus, the balanced reciprocity guideline was strongly regarded

as inappropriate by grandparents (mainly grandmothers) in their role as givers, but not necessarily by lone parents (mainly mothers) in their role as receivers as they expressed a desire to pay for grandparental childcare

The lone parent evidence also suggests that negotiations for childcare may operate differently with other family and friends – here there is a greater expectation of payment and these relations seem to be underpinned more by notions of balanced reciprocity where parents wanted to pay in return for childcare. This might be because relations with friends/ other family are mainly two-way involving the giver the receiver only and are not part of three way intergenerational exchanges involving the child. It seems there is a more direct and explicit interaction between the giver and receiver in family and friend relationships. In these situations parents' may have to ask' for childcare and the givers of childcare may feel less obligated to provide it as part of their individual relationship with the child as might be the case with grandparents. This difference in reciprocity across these set of relationships is described in figure 1.

Figure 1 here.

This has implications for the idea that government should offer a childcare subsidy for informal care.

Conclusion

We know that informal childcare is the most commonly used form of childcare among lone parents, and they are more likely than couples to use informal care on its own rather than in combination with other formal care. It is important for policymakers to recognise that some lone parents genuinely prefer informal childcare to all forms of formal care, that it may be the most appropriate and effective option for them (for example in the evenings and at night) and that it carries additional benefits in enhancing family well-being. Individual lone parents have different preferences about work and childcare, and these are strongly influenced by class, culture and situation. For this reason, a priority should be to support a variety of childcare options, informal as well as formal. However, whether or not the government should provide a childcare subsidy for informal care is not clear-cut. As Land (2002:13) argues 'Rewarding, regulating and sustaining providers of informal care raise complex and controversial issues'. Also according to Williams (2004:76) providing payment for informal care may simply reinforce gender inequalities and the idea that a women's role is to care.

On the one hand the evidence presented here on grandparental childcare suggests that the government may well have made the correct decision to stay out of private family relationships that involve such complex notions of obligation and generalised reciprocity. It is possible that a state subsidy to pay grandparents may create unease in relationships as it could apply pressure on unsure/unwilling grandparents to provide care where they feel they have an obligation to do so but may not be that willing. Certainly there was some evidence among lone parents to suggest that where this happened it

could create 'family rows'. Alternatively, grandparents may feel that payment devalues their caregiving as purely paid work and therefore devoid of the social relationships underpinning it. In either event, the state runs the risk of being an undesirable interloper in these private exchange relations, particularly if it insists in having a role as a regulator or approver of such care. What we do not know however, is whether male caregivers (grandfathers and other relatives/friends) would view payment in the same way as all the evidence on informal care comes primarily from grandmothers and mothers. Despite the potential gender differences, it would also be very difficult for administrators to police the subsidy and the potential for fraud would be considerable flying in the face of the government's principle of 'progressive universalism' where some support is offered for all and 'and most support for those who need it most' (HM Treasury 2004b:4). On the other hand, a reasonable minority of informal carers are paid, especially friends and other relatives; 11 per cent and 8 per cent received cash for childcare compared to just 3 per cent of grandparents (La Valle et al 2000). It does seem that there is some scope for an informal childcare subsidy, particularly to friends and other kin where there seems to be a clearer expectation of balanced reciprocity - paying in return for care received.

Ultimately, one argument in favour of a subsidy for informal childcare is that it could extend childcare and work choices and thereby help reduce child poverty. For example, payment for informal care could encourage some lone mothers into employment where they were held back because of a lack of trust of formal care. More pragmatically, such a subsidy could be used to pay

informal carers for providing care wrapped round the school day and/or for helping transport children between formal childcare/education services and the home (see Bell et al 2005; Skinner 2003 & 2005; Himmelweit and Sigala 2004; Wheelock and Jones 2002). It therefore has the potential to help informal carers coordinate disparate formal childcare/education provision and fill gaps in out of normal childcare hours. This kind of coordination support is still likely to be needed even if universal state funded childcare were provided. The government may therefore be too dismissive of the importance of the 'glue' of informal care that binds formal arrangements together and aids employment.

The debate however, has been prematurely cut short by the government's decision against subsidising informal care. As the EOC (2003: para 63) previously argued: 'Before conclusions are drawn either way on the role of informal care, further work is needed to investigate what is meant by quality childcare, and to understand more fully parental expectations and preferences'. We would add that the ways in which informal care payments might work needs greater understanding to fully evaluate its potential in supporting this key form of provision in a mixed economy of childcare. In particular the new evidence presented here on lone parents' negotiations for informal childcare suggests that these operate differently with friends and other extended kin than with grandparents as they are underpinned by different notions of reciprocity. In negotiations with friends/neighbours and other extended kin there seems to be a clearer notion of balanced exchange where payments are more welcome and could carry a business like

expectation and arrangement. Potentially at least, a subsidy for this type of informal care may actually expand its usage as it could release parents from feeling they would be a burden if they sought regular childcare support from these social networks. Thereby, an informal childcare subsidy could expand childcare choices and improve employment options for lone parents. There may also be some potential for a subsidy to encourage men and particularly grandfathers to participate in childcare, though there is no evidence for this. Conceivably, the Work and Pensions Select Committee was mistaken in lumping together all types of informal childcare as free and non-expandable family care. In the light of the evidence presented here, the potential of an informal childcare subsidy merits further investigation particularly how it might be perceived by male carers especially grandfathers, extended kin (not just grandparents) and friends.

Notes

1. The subsidy was originally called the Childcare Tax Credit but was renamed the 'childcare element' of Working Tax Credit in changes made to tax credits in April 2003.
2. Costs were estimated to rise from existing expenditure of £195 million to between £263 million and £8.2 billion under different scenarios (HC 2003: para 82).
3. In April 2005 the maximum childcare costs covered increased from £135 to £175 a week for one child and from £200 to £300 for two or more children and the maximum proportion of costs that can be claimed increased from 70 per cent to 80 per cent in April 2006 (HM

Treasury 2004b:51). Consideration is being given to extending entitlement to parents who work less than 16 hours (HM Treasury 2004b:31).

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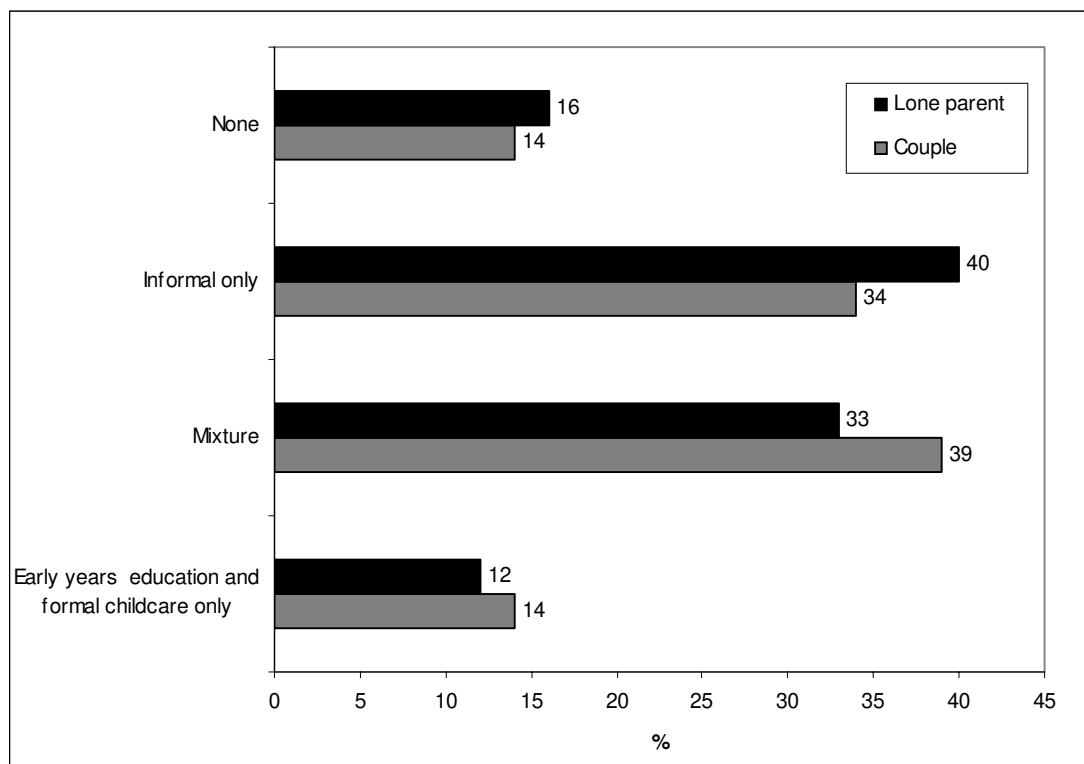
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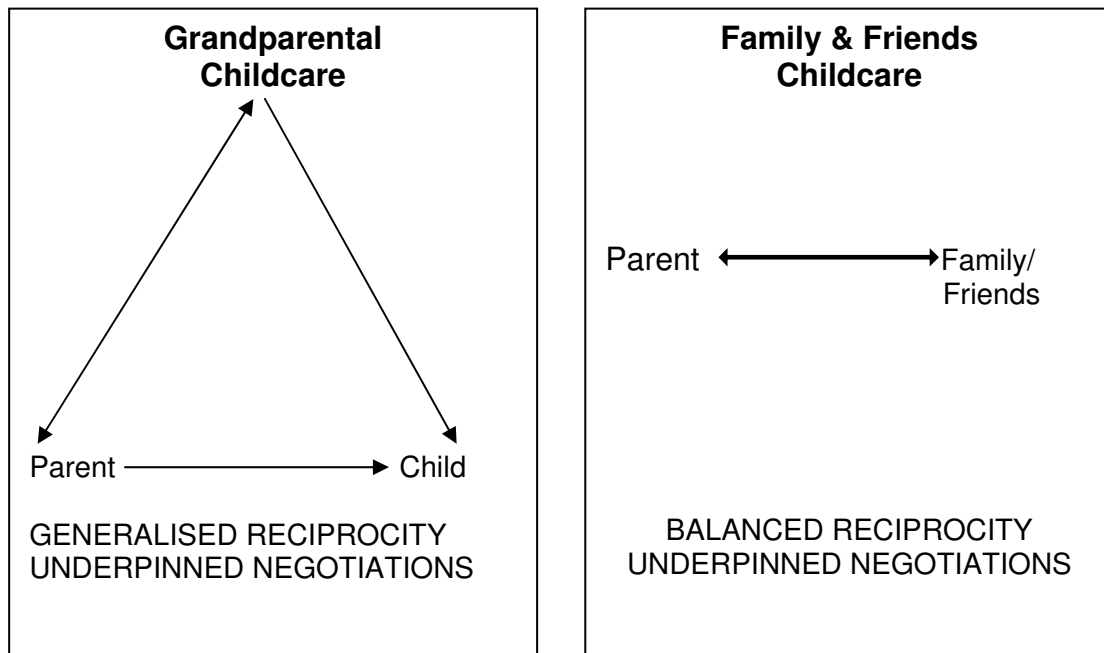
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Chart 1: Source of childcare used by lone parents and couples in 2001.



Source: Woodland et al. 2002

Figure 1: Difference in reciprocal relations with grandparents and other family/ friends for childcare



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A Tax Credit Childcare Subsidy?

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